

TENNESSEE REGULATORY AUTHORITY

Deborah Taylor Tate, Chairman
Pat Miller, Director
Sara Kyle, Director
Ron Jones, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

March 19, 2004

Charles B. Welch, Jr.
Farris Matthews Branam Bobango Hellen & Dunlap, PLC.
618 Church Street, Suite 300
Nashville, TN 37219

**RE: Petition of Time Warner Telecom, Inc., Time Warner Telecom Holdings, Inc.
and Time Warner Telecom of the Mid-South, LLC for Approval to Issue
Debt. Docket No. 04-00051.**

Dear Mr. Welch:

In anticipation of the debt issuance as set forth in the Petition, enclosed is a staff data request which will allow us to more effectively review the petition. This is Staff Data Request No. 2. It is requested that you provide thirteen (13) copies when submitting your response. The response should be received in this office no later than March 26, 2004.

1. Regarding issuance of up to \$400 million in fixed Senior Notes and up to \$400 million in floating rate Senior Secured Notes (collectively the "Notes"), the petition states that "the obligations under the Notes will be **guaranteed by each state level operating subsidiary** of TWTC Holdings, including TWTC TN, via a guarantee and pledge of the stock, interests and **assets of each operating subsidiary.**" Further, regarding the issuance of a new senior secured revolving credit facility of approximately \$150 million, the petition states that the senior secured facility will be guaranteed in the same manner as stated above.

Provide in a spreadsheet, in dollar amount, the share of each operating subsidiary of TWTC Holdings in the company's total stocks, interests and assets.

2. T.C.A. § 65-4-109 requires the Authority to determine that the use or purpose of the arrangement is proper and that the arrangement is in compliance with all applicable laws. Provide a detailed analysis of TWTC Holdings' existing senior secured facility, showing, in dollar amount, the share of each operating subsidiary of TWTC Holdings in the total.

3. For each operating subsidiary of TWTC Holdings, provide an analysis showing the net saving (benefit) derived from the early retirement of the existing senior secured facility.
4. For each operating subsidiary of TWTC Holdings, provide an analysis showing the existing level of working capital and the projected working capital after the completion of the transaction.

If you have any questions concerning this data request, please contact me at 615-741-2904, ext. 150.

Sincerely,



Aster Adams, Chief
Market Monitoring and Economic Analysis Division

AA04-00051TWTC